

**Executive Summary – Enforcement Matter – Case No. 46063**  
**THE CONSOLIDATED WATER SUPPLY CORPORATION**  
**RN102687381**  
**Docket No. 2013-0202-PWS-E**

**Order Type:**

Findings Agreed Order

**Findings Order Justification:**

Three or more enforcement actions (NOVs, orders, etc.) over the prior five year period for the same violation(s).

**Media:**

PWS

**Small Business:**

No

**Location(s) Where Violation(s) Occurred:**

Consolidated WSC Latexo Plants A and Y. Plant Y is located at the intersection of Old Latexo Road and County Road 2123, and Plant A is located approximately five miles east of Latexo on Farm-to-Market Road 2663, Houston County

**Type of Operation:**

Public water supply

**Other Significant Matters:**

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

**Texas Register Publication Date:** June 21, 2013

**Comments Received:** No

***Penalty Information***

**Total Penalty Assessed:** \$2,982

**Amount Deferred for Expedited Settlement:** \$2,982

**Amount Deferred for Financial Inability to Pay:** \$0

**Total Paid to General Revenue:** \$0

**Total Due to General Revenue:** \$0

Payment Plan: N/A

**SEP Conditional Offset:** \$0

Name of SEP: N/A

**Compliance History Classifications:**

Person/CN - N/A

Site/RN - N/A

**Major Source:** Yes

**Statutory Limit Adjustment:** N/A

**Applicable Penalty Policy:** September 2002 and September 2011

**Executive Summary – Enforcement Matter – Case No. 46063**  
**THE CONSOLIDATED WATER SUPPLY CORPORATION**  
**RN102687381**  
**Docket No. 2013-0202-PWS-E**

***Investigation Information***

**Complaint Date(s):** N/A

**Complaint Information:** N/A

**Date(s) of Investigation:** November 30, 2012

**Date(s) of NOE(s):** December 5, 2012

***Violation Information***

1. Failed to comply with the maximum contaminant level ("MCL") of 0.060 milligrams per liter ("mg/L") for haloacetic acids ("HAA5"), based on the running annual average, and failed to provide public notification of the failure to comply with the MCL for HAA5 [30 TEX. ADMIN. CODE §§ 290.113(f)(5) and 290.122(b)(2)(A) and TEX. HEALTH & SAFETY CODE § 341.0315(c)].

2. Failed to comply with the MCL of 0.080 mg/L for total trihalomethanes ("TTHM"), based on the running annual average [30 TEX. ADMIN. CODE § 290.113(f)(4) and TEX. HEALTH & SAFETY CODE § 341.0315(c)].

***Corrective Actions/Technical Requirements***

**Corrective Action(s) Completed:**

N/A

**Technical Requirements:**

The Order will require Respondent to:

a. Within 10 days, begin providing public notifications in a timely manner to the customers of the Facility, including but not limited to: providing public notification for the failure to comply with the MCL for HAA5 for the third quarter of 2011. Respondent shall continue to provide public notifications for as long as the violation exists.

b. Within 25 days, submit written certification demonstrating compliance with Ordering Provision a.

c. Within 90 days, begin negotiating a water purchase contract that will enable the Facility to comply with the MCL for HAA5 and TTHM within 1,095 days of the effective date of this Agreed Order.

d. Within 105 days, submit written certification demonstrating compliance with Ordering Provision c.

e. Within 1,095 days:

i. Return to compliance with the MCL for HAA5; and

**Executive Summary – Enforcement Matter – Case No. 46063**  
**THE CONSOLIDATED WATER SUPPLY CORPORATION**  
**RN102687381**  
**Docket No. 2013-0202-PWS-E**

ii. Return to compliance with the MCL for TTHM.

f. Within 1,110 days, submit written certification demonstrating compliance with Ordering Provisions e.i. and e.ii.

In lieu of Ordering Provisions c. through f.:

g. Within 120 days, complete a feasibility study, or update an existing feasibility study, and submit a written report or engineering study conducted by a Texas registered professional engineer regarding the results of the feasibility study to evaluate the necessary corrective actions designed to achieve compliance with the MCL for HAA5 and TTHM. The report shall include a tentative schedule describing additional studies, tests, or other methods that may be utilized for the completion of necessary corrective actions within 1,095 days after the effective date of this Agreed Order. If Respondent purchases or sells water, a copy of the purchase water contract must be submitted with the feasibility study report or engineering study.

h. Within 135 days, submit written certification demonstrating compliance with Ordering Provision g.

i. Within 180 days, submit an acceptable written plan, including a proposed schedule, to the Executive Director that provides for the completion of an alternate water source or treatment technology.

j. Within 180 days, and on a semi-annual basis thereafter, submit progress reports. These reports shall include information regarding actions taken to provide water which meets the MCL for HAA5 and TTHM.

k. Within 195 days, submit written certification demonstrating compliance with Ordering Provision i.

l. Within 1,095 days:

i. Return to compliance with the MCL for HAA5; and

ii. Return to compliance with the MCL for TTHM.

m. Within 1,110 days, submit written certification demonstrating compliance with Ordering Provisions l.i. and l.ii.

***Litigation Information***

**Date Petition(s) Filed:** N/A

**Date Answer(s) Filed:** N/A

**Executive Summary – Enforcement Matter – Case No. 46063**  
**THE CONSOLIDATED WATER SUPPLY CORPORATION**  
**RN102687381**  
**Docket No. 2013-0202-PWS-E**

**SOAH Referral Date:** N/A  
**Hearing Date(s):** N/A  
**Settlement Date:** N/A

***Contact Information***

**TCEQ Attorney:** N/A  
**TCEQ Enforcement Coordinator:** Katy Montgomery, Enforcement Division,  
Enforcement Team 2, MC R-13, (210) 403-4016; Candy Garrett, Enforcement Division,  
MC 219, (512) 239-1456  
**TCEQ SEP Coordinator:** N/A  
**Respondent:** Johnny Babb, President, THE CONSOLIDATED WATER SUPPLY  
CORPORATION, 401 Northeast Loop 304, Crockett, Texas 75835  
**Respondent's Attorney:** N/A



# Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision October 30, 2008

**TCEQ**

<b>DATES</b>	<b>Assigned</b>	10-Dec-2012	<b>Screening</b>	18-Dec-2012	<b>EPA Due</b>	31-Dec-2009
	<b>PCW</b>	20-Dec-2012				

## RESPONDENT/FACILITY INFORMATION

<b>Respondent</b>	THE CONSOLIDATED WATER SUPPLY CORPORATION		
<b>Reg. Ent. Ref. No.</b>	RN102687381		
<b>Facility/Site Region</b>	10-Beaumont	<b>Major/Minor Source</b>	Major

## CASE INFORMATION

<b>Enf./Case ID No.</b>	46063	<b>No. of Violations</b>	1
<b>Docket No.</b>	2013-0202-PWS-E	<b>Order Type</b>	Findings
<b>Media Program(s)</b>	Public Water Supply	<b>Government/Non-Profit</b>	Yes
<b>Multi-Media</b>		<b>Enf. Coordinator</b>	Katy Schumann
		<b>EC's Team</b>	Enforcement Team 2
<b>Admin. Penalty \$ Limit Minimum</b>	\$50	<b>Maximum</b>	\$1,000

## Penalty Calculation Section

<b>TOTAL BASE PENALTY (Sum of violation base penalties)</b>	<b>Subtotal 1</b>	\$1,500
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## ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

<b>Compliance History</b>	42.0% Enhancement	<b>Subtotals 2, 3, &amp; 7</b>	\$630
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<b>Notes</b>	Enhancement for four NOVs with same/similar violations, one NOV with dissimilar violations and one final enforcement order with a denial of liability.
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<b>Culpability</b>	No	0.0% Enhancement	<b>Subtotal 4</b>	\$0
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<b>Notes</b>	The Respondent does not meet the culpability criteria.
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<b>Good Faith Effort to Comply Total Adjustments</b>	<b>Subtotal 5</b>	\$0
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<b>Economic Benefit</b>	0.0% Enhancement*	<b>Subtotal 6</b>	\$0
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Total EB Amounts	\$13,137
Approx. Cost of Compliance	\$25,000

\*Capped at the Total EB \$ Amount

<b>SUM OF SUBTOTALS 1-7</b>	<b>Final Subtotal</b>	\$2,130
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<b>OTHER FACTORS AS JUSTICE MAY REQUIRE</b>	0.0%	<b>Adjustment</b>	\$0
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Reduces or enhances the Final Subtotal by the indicated percentage.

<b>Notes</b>	
<b>Final Penalty Amount</b>	\$2,130

<b>STATUTORY LIMIT ADJUSTMENT</b>	<b>Final Assessed Penalty</b>	\$2,130
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<b>DEFERRAL</b>	0.0% Reduction	<b>Adjustment</b>	\$0
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Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

<b>Notes</b>	No deferral is recommended for Findings Orders.
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<b>PAYABLE PENALTY</b>	\$2,130
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Screening Date 18-Dec-2012

Docket No. 2013-0202-PWS-E

PCW

Respondent THE CONSOLIDATED WATER SUPPLY CORPORATION

Policy Revision 2 (September 2002)

Case ID No. 46063

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN102687381

Media [Statute] Public Water Supply

Enf. Coordinator Katy Schumann

## Compliance History Worksheet

## &gt;&gt; Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action ( <i>number of NOVs meeting criteria</i> )	4	20%
	Other written NOVs	1	2%
Orders	Any agreed final enforcement orders containing a denial of liability ( <i>number of orders meeting criteria</i> )	1	20%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government ( <i>number of judgements or consent decrees meeting criteria</i> )	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government ( <i>number of counts</i> )	0	0%
Emissions	Chronic excessive emissions events ( <i>number of events</i> )	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 ( <i>number of audits for which notices were submitted</i> )	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 ( <i>number of audits for which violations were disclosed</i> )	0	0%
Please Enter Yes or No			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 42%

## &gt;&gt; Repeat Violator (Subtotal 3)

N/A

Adjustment Percentage (Subtotal 3) 0%

## &gt;&gt; Compliance History Person Classification (Subtotal 7)

N/A

Adjustment Percentage (Subtotal 7) 0%

## &gt;&gt; Compliance History Summary

## Compliance History Notes

Enhancement for four NOVs with same/similar violations, one NOV with dissimilar violations and one final enforcement order with a denial of liability.

Total Adjustment Percentage (Subtotals 2, 3, &amp; 7) 42%

Screening Date 18-Dec-2012

Docket No. 2013-0202-PWS-E

PCW

Respondent THE CONSOLIDATED WATER SUPPLY CORPORATION

Policy Revision 2 (September 2002)

Case ID No. 46063

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN102687381

Media [Statute] Public Water Supply

Enf. Coordinator Katy Schumann

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code § 290.113(f)(5) and Tex. Health &amp; Safety Code § 341.0315(c)

## Violation Description

Failed to comply with the maximum contaminant level ("MCL") of 0.060 milligrams per liter ("mg/L") for haloacetic acids ("HAA5"), based on the running annual average. Specifically, at the time of the record review, it was documented that the running annual average concentration for HAA5 was 0.069 mg/L for the first quarter of 2009, 0.093 mg/L for the second quarter of 2009, 0.116 mg/L for the third quarter of 2009, 0.134 mg/L for the fourth quarter of 2009, 0.104 mg/L for the first quarter of 2010, 0.101 mg/L for the second quarter of 2010, 0.097 mg/L for the third quarter 2010, 0.099 mg/L for the fourth quarter of 2010, 0.096 for the first quarter of 2011, and 0.093 mg/L for the second quarter of 2011, 0.092 mg/L for the third quarter of 2011, and 0.097 mg/L for the fourth quarter 2011.

Base Penalty \$1,000

## &gt;&gt; Environmental, Property and Human Health Matrix

OR

	Major	Harm Moderate	Minor
Release Actual		X	
Potential			

Percent 50%

## &gt;&gt; Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0%

Matrix Notes

Exceeding the MCL for HAA5 caused the customers of the Facility to be exposed to significant amounts of pollutants which did not exceed levels protective of human health.

Adjustment \$500

\$500

## Violation Events

Number of Violation Events 3

910 Number of violation days

mark only one  
with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	X
single event	

Violation Base Penalty \$1,500

Three annual events are recommended.

## Good Faith Efforts to Comply

0.0% Reduction

\$0

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary		
N/A	X	(mark with x)

Notes

The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal \$1,500

## Economic Benefit (EB) for this violation

## Statutory Limit Test

Estimated EB Amount \$13,137

Violation Final Penalty Total \$2,130

This violation Final Assessed Penalty (adjusted for limits) \$2,130

# Economic Benefit Worksheet

**Respondent** THE CONSOLIDATED WATER SUPPLY CORPORATION  
**Case ID No.** 46063  
**Reg. Ent. Reference No.** RN102687381  
**Media** Public Water Supply  
**Violation No.** 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

## Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)	\$25,000	31-Mar-2009	30-Sep-2016	7.51	\$626	\$12,511	\$13,137
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

The delayed cost includes the estimated amount for the Facility to investigate, identify, and implement the necessary corrective actions to return to compliance, calculated from the last day of the first quarter of noncompliance to the estimated date of compliance.

## Avoided Costs

**ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)**

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$25,000

**TOTAL**

\$13,137





# Penalty Calculation Worksheet (PCW)

Policy Revision 3 (September 2011)

PCW Revision August 3, 2011

<b>DATES</b>	<b>Assigned</b>	10-Dec-2012	<b>PCW</b>	20-Dec-2012	<b>Screening</b>	18-Dec-2012	<b>EPA Due</b>	31-Dec-2008
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**RESPONDENT/FACILITY INFORMATION**

<b>Respondent</b>	THE CONSOLIDATED WATER SUPPLY CORPORATION		
<b>Reg. Ent. Ref. No.</b>	RN102687381		
<b>Facility/Site Region</b>	10-Beaumont	<b>Major/Minor Source</b>	Major

**CASE INFORMATION**

<b>Enf./Case ID No.</b>	46063	<b>No. of Violations</b>	2
<b>Docket No.</b>	2013-0202-PWS-E	<b>Order Type</b>	Findings
<b>Media Program(s)</b>	Public Water Supply	<b>Government/Non-Profit</b>	Yes
<b>Multi-Media</b>		<b>Enf. Coordinator</b>	Katy Schumann
		<b>EC's Team</b>	Enforcement Team 2
<b>Admin. Penalty \$ Limit Minimum</b>	\$50	<b>Maximum</b>	\$1,000

## Penalty Calculation Section

**TOTAL BASE PENALTY (Sum of violation base penalties)** **Subtotal 1** \$600**ADJUSTMENTS (+/-) TO SUBTOTAL 1**

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

**Compliance History** **42.0%** Enhancement **Subtotals 2, 3, & 7** \$252

Notes: Enhancement for four NOVs with same/similar violations, one NOV with dissimilar violations and one final enforcement order with a denial of liability.

**Culpability** **No** **0.0%** Enhancement **Subtotal 4** \$0

Notes: The Respondent does not meet the culpability criteria.

**Good Faith Effort to Comply Total Adjustments** **Subtotal 5** \$0**Economic Benefit** **0.0%** Enhancement\* **Subtotal 6** \$0

Total EB Amounts \$25  
Approx. Cost of Compliance \$25  
\*Capped at the Total EB \$ Amount

**SUM OF SUBTOTALS 1-7** **Final Subtotal** \$852**OTHER FACTORS AS JUSTICE MAY REQUIRE** **0.0%** **Adjustment** \$0

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes

**Final Penalty Amount** \$852**STATUTORY LIMIT ADJUSTMENT** **Final Assessed Penalty** \$852**DEFERRAL** **0.0%** Reduction **Adjustment** \$0

Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes

No deferral is recommended for Findings Orders.

**PAYABLE PENALTY** \$852

Screening Date 18-Dec-2012

Docket No. 2013-0202-PWS-E

PCW

THE CONSOLIDATED WATER SUPPLY

Respondent CORPORATION

Case ID No. 46063

Policy Revision 3 (September 2011)

Reg. Ent. Reference No. RN102687381

PCW Revision August 3, 2011

Media [Statute] Public Water Supply

Enf. Coordinator Katy Schumann

## Compliance History Worksheet

## &gt;&gt; Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action ( <i>number of NOVs meeting criteria</i> )	4	20%
	Other written NOVs	1	2%
Orders	Any agreed final enforcement orders containing a denial of liability ( <i>number of orders meeting criteria</i> )	1	20%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government ( <i>number of judgements or consent decrees meeting criteria</i> )	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government ( <i>number of counts</i> )	0	0%
Emissions	Chronic excessive emissions events ( <i>number of events</i> )	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 ( <i>number of audits for which notices were submitted</i> )	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 ( <i>number of audits for which violations were disclosed</i> )	0	0%
Please Enter Yes or No			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 42%

## &gt;&gt; Repeat Violator (Subtotal 3)

N/A

Adjustment Percentage (Subtotal 3) 0%

## &gt;&gt; Compliance History Person Classification (Subtotal 7)

N/A

Adjustment Percentage (Subtotal 7) 0%

## &gt;&gt; Compliance History Summary

## Compliance History Notes

Enhancement for four NOVs with same/similar violations, one NOV with dissimilar violations and one final enforcement order with a denial of liability.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, &amp; 7) 42%

## &gt;&gt; Final Compliance History Adjustment

Final Adjustment Percentage \*capped at 100% 42%

Screening Date 18-Dec-2012

Docket No. 2013-0202-PWS-E

PCW

Respondent THE CONSOLIDATED WATER SUPPLY CORPORATION

Policy Revision 3 (September 2011)

Case ID No. 46063

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN102687381

Media [Statute] Public Water Supply

Enf. Coordinator Katy Schumann

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code §§ 290.113(f)(5) and 290.122(b)(2)(A) and Tex. Health &amp; Safety Code § 341.0315(c)

Violation Description

Failed to comply with the maximum contaminant level ("MCL") of 0.060 milligrams per liter ("mg/L") for haloacetic acids ("HAA5"), based on the running annual average; and failed to provide public notification of the failure to comply with the MCL for HAA5 for the third quarter of 2011. Specifically, at the time of the record review, it was documented that the running annual average concentration for HAA5 was 0.101 mg/L for the first quarter of 2012, and 0.109 mg/L for the second quarter of 2012.

Base Penalty \$1,000

## &gt;&gt; Environmental, Property and Human Health Matrix

OR

	Harm		
Release	Major	Moderate	Minor
Actual		x	
Potential			

Percent 30.0%

## &gt;&gt; Programmatic Matrix

	Major	Moderate	Minor
Falsification			

Percent 0.0%

Matrix Notes

Exceeding the MCL for HAA5 caused the customers of the Facility to be exposed to significant amounts of pollutants which did not exceed levels protective of human health.

Adjustment \$700

\$300

## Violation Events

Number of Violation Events 1

365 Number of violation days

mark only one  
with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	x
single event	

Violation Base Penalty \$300

One annual event is recommended.

## Good Faith Efforts to Comply

0.0% Reduction

\$0

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary		
N/A	x	(mark with x)

Notes

The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal \$300

## Economic Benefit (EB) for this violation

## Statutory Limit Test

Estimated EB Amount \$25

Violation Final Penalty Total \$426

This violation Final Assessed Penalty (adjusted for limits) \$426

# Economic Benefit Worksheet

**Respondent** THE CONSOLIDATED WATER SUPPLY CORPORATION  
**Case ID No.** 46063  
**Reg. Ent. Reference No.** RN102687381  
**Media** Public Water Supply  
**Violation No.** 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

## Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

The delayed costs of compliance are captured in the Economic Benefit for Violation No. 1 of the Revision 2 PCW.

## Avoided Costs

**ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)**

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]	\$25	1-Oct-2011	30-Oct-2011	0.00	\$0	\$25	\$25
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

The avoided cost includes the estimated amount to provide public notification for failure to comply with the MCL for HAA5, calculated for the period in which public notification was required.

Approx. Cost of Compliance \$25

**TOTAL** \$25

Screening Date 18-Dec-2012

Docket No. 2013-0202-PWS-E

PCW

Respondent THE CONSOLIDATED WATER SUPPLY CORPORATION

Policy Revision 3 (September 2011)

Case ID No. 46063

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN102687381

Media [Statute] Public Water Supply

Enf. Coordinator Katy Schumann

Violation Number 2

Rule Cite(s) 30 Tex. Admin. Code § 290.113(f)(4) and Tex. Health &amp; Safety Code § 341.0315(c)

## Violation Description

Failed to comply with the MCL of 0.080 mg/L for total trihalomethanes ("TTHM"), based on the running annual average. Specifically, at the time of the record review, it was documented that the running annual average concentrations for TTHM were 0.086 mg/L for the fourth quarter of 2011, 0.089 for the first quarter in 2012, and 0.109 mg/L for the second quarter of 2012.

Base Penalty \$1,000

## &gt;&gt; Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual		x	
Potential			

Percent 30.0%

## &gt;&gt; Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

Exceeding the MCL for TTHM caused the customers of the Facility to be exposed to significant amounts of pollutants which did not exceed levels protective of human health.

Adjustment \$700

\$300

## Violation Events

Number of Violation Events 1

273 Number of violation days

mark only one with an x	daily	
	weekly	
	monthly	
	quarterly	
	semiannual	
	annual	x
	single event	

Violation Base Penalty \$300

One annual event is recommended.

## Good Faith Efforts to Comply

0.0% Reduction

\$0

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary		
N/A	x	(mark with x)

Notes

The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal \$300

## Economic Benefit (EB) for this violation

## Statutory Limit Test

Estimated EB Amount \$0

Violation Final Penalty Total \$426

This violation Final Assessed Penalty (adjusted for limits) \$426

# Economic Benefit Worksheet

**Respondent** THE CONSOLIDATED WATER SUPPLY CORPORATION  
**Case ID No.** 46063  
**Reg. Ent. Reference No.** RN102687381  
**Media** Public Water Supply  
**Violation No.** 2

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
------------------	-----------	---------------	------------	-----	----------------	---------------	-----------

No commas or \$

## Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

The delayed costs of compliance are captured in the Economic Benefit for Violation No. 1 of the Revision 2 PCW.

## Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$0

TOTAL

\$0





## TCEQ Compliance History Report

**PUBLISHED** Compliance History Report for CN601362544, RN102687381, Rating Year 2012 which includes Compliance History (CH) components from September 1, 2007, through August 31, 2012.

**Customer, Respondent, or Owner/Operator:** CN601362544, The Consolidated Water Supply Corporation **Classification:** NOT APPLICABLE **Rating:** N/A

**Regulated Entity:** RN102687381, CONSOLIDATED WSC **Classification:** NOT APPLICABLE **Rating:** N/A  
LATEXO PLANTS Y and A

**Complexity Points:** N/A

**Repeat Violator:** N/A

**CH Group:** 14 - Other

**Location:** PLANT Y IS LOCATED AT THE INTERSECTION OF OLD LATEXO ROAD AND COUNTY ROAD 2123  
PLANT A IS LOCATED APPROXIMATELY FIVE MILES EAST OF LATEXO ON FM 2663  
HOUSTON COUNTY, TEXAS

**TCEQ Region:** REGION 10 - BEAUMONT

**ID Number(s):**

**PUBLIC WATER SYSTEM/SUPPLY REGISTRATION**  
1130012

**Compliance History Period:** September 01, 2007 to August 31, 2012 **Rating Year:** 2012 **Rating Date:** 09/01/2012

**Date Compliance History Report Prepared:** December 18, 2012

**Agency Decision Requiring Compliance History:** Enforcement

**Component Period Selected:** December 18, 2007 to December 18, 2012

**TCEQ Staff Member to Contact for Additional Information Regarding This Compliance History.**

**Name:** Katy Schumann

**Phone:** (512) 239-2602

**Site and Owner/Operator History:**

- |  |     |
|--|-----|
| 1) Has the site been in existence and/or operation for the full five year compliance period?       | YES |
| 2) Has there been a (known) change in ownership/operator of the site during the compliance period? | NO  |
| 3) If YES for #2, who is the current owner/operator?   | N/A |
| 4) If YES for #2, who was/were the prior owner(s)/operator(s)?                                     | N/A |
| 5) If YES, when did the change(s) in owner or operator occur?                                      | N/A |

**Components (Multimedia) for the Site Are Listed in Sections A - J**

**A. Final Orders, court judgments, and consent decrees:**

- |   |  |  |
|---|--|--|
| 1 | Effective Date: 11/17/2008   | ADMINORDER 2008-0046-PWS-E (1660 Order-Agreed Order With Denial) |
|   | Classification: Minor  |  |
|   | Citation: 30 TAC Chapter 290, SubChapter D 290.45(f)(5)  |  |
|   | Description: Failure to obtain a purchase water contract that meets 0.6 gpm per connection and 2.0 gpm per connection under direct pressure. |  |
|   | Classification: Moderate   |  |
|   | Citation: 30 TAC Chapter 290, SubChapter D 290.45(b)(1)(D)(iv)   |  |
|   | 30 TAC Chapter 290, SubChapter D 290.45(f)(7)  |  |
|   | 5A THSC Chapter 341, SubChapter A 341.0315(c)  |  |
|   | Description: Failure to provide a pressure tank capacity of 20 gallons per connection.   |  |
|   | Classification: Minor  |  |
|   | Citation: 30 TAC Chapter 290, SubChapter D 290.42(e)(4)(B)   |  |
|   | Description: Failure to have gas chlorination equipment separated from electrical and mechanical equipment.                                  |  |
|   | Classification: Minor  |  |
|   | Citation: 30 TAC Chapter 290, SubChapter F 290.110(b)(4)   |  |

5A THSC Chapter 341, SubChapter A 341.0315(c)

Description: Failure to maintain the minimum disinfectant residual in the distribution system.

Classification: Minor

Citation: 30 TAC Chapter 290, SubChapter F 290.110(c)(4)(B)

Description: Failure to monitor the disinfectant residual in the distribution system at least once per day.

Classification: Minor

Citation: 30 TAC Chapter 290, SubChapter D 290.46(n)(2)

Description: Failure to have an accurate and up-to-date map of the distribution system.

Classification: Minor

Citation: 30 TAC Chapter 290, SubChapter D 290.46(f)(3)(A)(iv)

Description: Failure to maintain complete records of the dates dead-end mains were flushed.

**B. Criminal convictions:**

N/A

**C. Chronic excessive emissions events:**

N/A

**D. The approval dates of investigations (CCEDS Inv. Track. No.):**

N/A

**E. Written notices of violations (NOV) (CCEDS Inv. Track. No.):**

A notice of violation represents a written allegation of a violation of a specific regulatory requirement from the commission to a regulated entity. A notice of violation is not a final enforcement action, nor proof that a violation has actually occurred.

- |   |  |                          |  |
|---|--|--------------------------|--|
| 1 | Date: 12/27/2011 (1049964)   | CN601362544              |  |
|   | Self Report? NO  | Classification: Moderate |  |
|   | Citation: 30 TAC Chapter 290, SubChapter F 290.113(f)(5)   |                          |  |
|   | Description: HAA5 MCL 3Q2011 - The system violated the maximum contaminant level for haloacetic acids during the third quarter of 2011.  |                          |  |
| 2 | Date: 03/28/2012 (1049964)   | CN601362544              |  |
|   | Self Report? NO  | Classification: Moderate |  |
|   | Citation: 30 TAC Chapter 290, SubChapter F 290.113(f)(4)   |                          |  |
|   | Description: TTHM MCL 4Q2011 - The system violated the maximum contaminant level for trihalomethanes during the fourth quarter of 2011.  |                          |  |
|   | Self Report? NO  | Classification: Moderate |  |
|   | Citation: 30 TAC Chapter 290, SubChapter F 290.113(f)(5)   |                          |  |
|   | Description: HAA5 MCL 4Q2011 - The system violated the maximum contaminant level for haloacetic acids during the fourth quarter of 2011.   |                          |  |
| 3 | Date: 06/04/2012 (1049964)   | CN601362544              |  |
|   | Self Report? NO  | Classification: Moderate |  |
|   | Citation: 30 TAC Chapter 290, SubChapter F 290.113(f)(4)   |                          |  |
|   | Description: TTHM MCL 1Q2012 - The system violated the maximum contaminant level for trihalomethanes during the first quarter of 2012.   |                          |  |
|   | Self Report? NO  | Classification: Moderate |  |
|   | Citation: 30 TAC Chapter 290, SubChapter F 290.113(f)(5)   |                          |  |
|   | Description: HAA5 MCL 1Q2012 - The system violated the maximum contaminant level for haloacetic acids during the first quarter of 2012.  |                          |  |
| 4 | Date: 06/05/2012 (994051)  | CN601362544              |  |
|   | Self Report? NO  | Classification: Minor    |  |
|   | Citation: 30 TAC Chapter 290, SubChapter F 290.121(b)  |                          |  |
|   | Description: Failure to identify all sampling locations, describe the sampling frequency, and specify the analytical procedures and laboratories that the public water system will use to comply with the monitoring requirements of 30 TAC 290, Subchapter F. |                          |  |
|   | Self Report? NO  | Classification: Moderate |  |
|   | Citation: 30 TAC Chapter 290, SubChapter D 290.46(k)   |                          |  |
|   | Description: Failure to obtain approval for an interconnect between public drinking water systems.   |                          |  |
| 5 | Date: 08/21/2012 (1049964)   | CN601362544              |  |
|   | Self Report? NO  | Classification: Moderate |  |



Citation: 30 TAC Chapter 290, SubChapter F 290.113(f)(4)  
Description: TTHM MCL 2Q2012 - The system violated the maximum contaminant level for trihalomethanes during the second quarter of 2012.  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 290, SubChapter F 290.113(f)(5)  
Description: HAA5 MCL 2Q2012 - The system violated the maximum contaminant level for haloacetic acids during the second quarter of 2012.

**F. Environmental audits:**

N/A

**G. Type of environmental management systems (EMSs):**

N/A

**H. Voluntary on-site compliance assessment dates:**

N/A

**I. Participation in a voluntary pollution reduction program:**

N/A

**J. Early compliance:**

N/A

**Sites Outside of Texas:**

N/A



IN THE MATTER OF AN	§	BEFORE THE
ENFORCEMENT ACTION	§	
CONCERNING	§	TEXAS COMMISSION ON
THE CONSOLIDATED WATER	§	
SUPPLY CORPORATION	§	ENVIRONMENTAL QUALITY
RN102687381	§	

**AGREED ORDER  
DOCKET NO. 2013-0202-PWS-E**

At its \_\_\_\_\_ agenda, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding THE CONSOLIDATED WATER SUPPLY CORPORATION ("Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 341. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent presented this agreement to the Commission.

The Respondent understands that it has certain procedural rights at certain points in the enforcement process, including, but not limited to, the right to formal notice of violations, notice of an evidentiary hearing, the right to an evidentiary hearing, and a right to appeal. By entering into this Agreed Order, the Respondent agrees to waive all notice and procedural rights.

It is further understood and agreed that this Order represents the complete and fully-integrated settlement of the parties. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable. The duties and responsibilities imposed by this Agreed Order are binding upon the Respondent.

The Commission makes the following Findings of Fact and Conclusions of Law:

**I. FINDINGS OF FACT**

1. The Respondent owns and operates a public water supply with two plants in Houston County, Texas (the "Facility") that has approximately 665 service connections and serves

## THE CONSOLIDATED WATER SUPPLY CORPORATION

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at least 25 people per day for at least 60 days per year. Plant Y is located at the intersection of Old Latexo Road and County Road 2123, and Plant A is located approximately five miles east of Latexo on Farm-To-Market Road 2663.

2. During a record review conducted on November 30, 2012, TCEQ staff documented that the Respondent did not provide public notification of the failure to comply with the maximum contaminant level ("MCL") for haloacetic acids ("HAA5") for the third quarter of 2011 and that the running annual average concentration for HAA5 were 0.069 milligrams per liter ("mg/L") for the first quarter of 2009, 0.093 mg/L for the second quarter of 2009, 0.116 mg/L for the third quarter of 2009, 0.134 mg/L for the fourth quarter of 2009, 0.104 mg/L for the first quarter of 2010, 0.101 mg/L for the second quarter of 2010, 0.097 mg/L for the third quarter 2010, 0.099 mg/L for the fourth quarter of 2010, 0.096 for the first quarter of 2011, 0.093 mg/L for the second quarter of 2011, 0.092 mg/L for the third quarter of 2011, 0.097 mg/L for the fourth quarter of 2011, 0.101 mg/L for the first quarter of 2012, and 0.109 mg/L for the second quarter of 2012.
3. During a record review conducted on November 30, 2012, TCEQ staff documented that the running annual average concentrations for total trihalomethanes ("TTHM") were 0.086 mg/L for the fourth quarter of 2011, 0.089 for the first quarter in 2012, and 0.109 mg/L for the second quarter of 2012.
4. The Respondent received notice of the violations on December 14, 2012.

## II. CONCLUSIONS OF LAW

1. The Respondent is subject to the jurisdiction of the TCEQ pursuant to TEX. HEALTH & SAFETY CODE ch. 341 and the rules of the Commission.
2. As evidenced by Findings of Fact No. 2, the Respondent failed to comply with the MCL of 0.060 mg/L for HAA5, based on the running annual average, and failed to provide public notification of the failure to comply with the MCL for HAA5 in violation of 30 TEX. ADMIN. CODE §§ 290.113(f)(5) and 290.122(b)(2)(A) and TEX. HEALTH & SAFETY CODE § 341.0315(c).
3. As evidenced by Findings of Fact No. 3, the Respondent failed to comply with the MCL of 0.080 mg/L for TTHM, based on the running annual average, in violation of 30 TEX. ADMIN. CODE § 290.113(f)(4) and TEX. HEALTH & SAFETY CODE § 341.0315(c).
4. Pursuant to TEX. HEALTH & SAFETY CODE § 341.049, the Commission has the authority to assess an administrative penalty against the Respondent for violations of the Texas Water Code and the Texas Health and Safety Code within the Commission's jurisdiction; for violations of rules adopted under such statutes; or for violations of orders or permits issued under such statutes.

THE CONSOLIDATED WATER SUPPLY CORPORATION  
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5. An administrative penalty in the amount of Two Thousand Nine Hundred Eighty-Two Dollars (\$2,982) is justified by the facts recited in this Agreed Order, and considered in light of the factors set forth in TEX. HEALTH & SAFETY CODE § 341.049(b). Two Thousand Nine Hundred Eighty-Two Dollars (\$2,982) of the administrative penalty is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Agreed Order and shall be waived only upon full compliance with all the terms and conditions contained in this Agreed Order. If the Respondent fails to timely and satisfactorily comply with any requirement contained in this Agreed Order, the deferred amount of the administrative penalty shall become immediately due and payable without demand or notice, and the Executive Director may request the Respondent to pay all or part of the deferred administrative penalty.

### III. ORDERING PROVISIONS

NOW, THEREFORE, THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY ORDERS that:

1. The Respondent is assessed an administrative penalty in the amount of Two Thousand Nine Hundred Eighty-Two Dollars (\$2,982) as set forth in Section II, Paragraph 5 above, for violations of TCEQ rules and state statutes. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order completely resolve the violations set forth by this Agreed Order in this action. However, the Commission shall not be constrained in any manner from requiring corrective actions or penalties for other violations that are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: THE CONSOLIDATED WATER SUPPLY CORPORATION, Docket No. 2013-0202-PWS-E" to:

Financial Administration Division, Revenue Operations Section  
Attention: Cashier's Office, MC 214  
Texas Commission on Environmental Quality  
P.O. Box 13088  
Austin, Texas 78711-3088

2. The Respondent shall undertake the following technical requirements:
  - a. Within 10 days after the effective date of this Agreed Order, begin providing public notifications in a timely manner to the customers of the Facility, including but not limited to: providing public notification for the failure to comply with the MCL for HAA5 for the third quarter of 2011, in accordance with 30 TEX. ADMIN. CODE § 290.122. The Respondent shall continue to provide public notifications in accordance with 30 TEX. ADMIN. CODE § 290.122 for as long as the violation exists;

## THE CONSOLIDATED WATER SUPPLY CORPORATION

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- b. Within 25 days after the effective date of this Agreed Order, submit written certification as described in Ordering Provision No. 2.m. below to demonstrate compliance with Ordering Provision No. 2.a.;
  - c. Within 90 days after the effective date of this Agreed Order, begin negotiating a water purchase contract that will enable the Facility to comply with the MCL for HAA5 and TTHM within 1,095 days of the effective date of this Agreed Order, in accordance with 30 TEX. ADMIN. CODE § 290.45;
  - d. Within 105 days after the effective date of this Agreed Order, submit written certification as described in Ordering Provision No. 2.m. below to demonstrate compliance with Ordering Provision No. 2.c.;
  - e. Within 1,095 days after the effective date of this Agreed Order:
    - i. Return to compliance with the MCL for HAA5, in accordance with 30 TEX. ADMIN. CODE § 290.113; and
    - ii. Return to compliance with the MCL for TTHM, in accordance with 30 TEX. ADMIN. CODE § 290.113.
  - f. Within 1,110 days after the effective date of this Agreed Order, submit written certification as described in Ordering Provision No. 2.m. below to demonstrate compliance with Ordering Provision Nos. 2.e.i. and 2.e.ii.
- In lieu of Ordering Provision Nos. 2.c. through 2.f.:
- g. Within 120 days after the effective date of this Agreed Order, complete a feasibility study, or update an existing feasibility study, and submit a written report or engineering study conducted by a Texas registered professional engineer regarding the results of the feasibility study to evaluate the necessary corrective actions designed to achieve compliance with the MCL for HAA5 and TTHM. The report shall include a tentative schedule describing additional studies, tests, or other methods that may be utilized for the completion of necessary corrective actions within 1,095 days after the effective date of this Agreed Order. If the Respondent purchases or sells water, a copy of the purchase water contract must be submitted with the feasibility study report or engineering study. The evaluation shall be sent to the addresses in listed in Ordering Provision No. 2.m.;
  - h. Within 135 days after the effective date of this Agreed Order, submit written certification as described in Ordering Provision No. 2.m. below to demonstrate compliance with Ordering Provision No. 2.g.;
  - i. Within 180 days after the effective date of this Agreed Order, submit an acceptable written plan, including a proposed schedule, to the Executive Director

THE CONSOLIDATED WATER SUPPLY CORPORATION  
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that provides for the completion of an alternate water source or treatment technology to the addresses listed in Ordering Provision No. 2.m.;

- j. Within 180 days after the effective date of this Agreed Order, and on a semi-annual basis thereafter, submit progress reports to the addresses listed in Ordering Provision No. 2.m. below. These reports shall include information regarding actions taken to provide water which meets the MCL for HAA5 and TTHM;
- k. Within 195 days after the effective date of this Agreed Order, submit written certification as described in Ordering Provision No. 2.m. below to demonstrate compliance with Ordering Provision No. 2.i.
- l. Within 1,095 days after the effective date of this Agreed Order:
  - i. Return to compliance with the MCL for HAA5, in accordance with 30 TEX. ADMIN. CODE § 290.113; and
  - ii. Return to compliance with the MCL for TTHM, in accordance with 30 TEX. ADMIN. CODE § 290.113.
- m. Within 1,110 days after the effective date of this Agreed Order, submit written certification as described below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision Nos. 2.l.i. and 2.l.ii. The certification shall be notarized by a State of Texas Notary Public and include the following certification language:

"I certify under penalty of law that I have personally examined and am familiar with the information submitted and all attached documents, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the submitted information is true, accurate and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment for knowing violations."

The certification shall be submitted to:

Order Compliance Team  
Enforcement Division, MC 149A  
Texas Commission on Environmental Quality  
P.O. Box 13087  
Austin, Texas 78711-3087

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with a copy to:

Public Water Supply Section Manager  
Beaumont Regional Office  
Texas Commission on Environmental Quality  
3870 Eastex Freeway  
Beaumont, Texas 77703-1892

and to:

Technical Review and Oversight Team  
Water Supply Division, MC 159  
Texas Commission on Environmental Quality  
P.O. Box 13087  
Austin, Texas 78711-3087

3. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Facility operations referenced in this Agreed Order.
4. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
5. The Executive Director may refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings without notice to the Respondent if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
6. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
7. This Agreed Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
8. This Agreed Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Agreed Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission,



## THE CONSOLIDATED WATER SUPPLY CORPORATION

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including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Agreed Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms "electronic transmission", "owner", "person", "writing", and "written" shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.

9. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties. By law, the effective date of this Agreed Order is the third day after the mailing date, as provided by 30 TEX. ADMIN. CODE § 70.10(b) and TEX. GOV'T CODE § 2001.142.

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## SIGNATURE PAGE

### TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

  
For the Executive Director

8/19/13  
Date

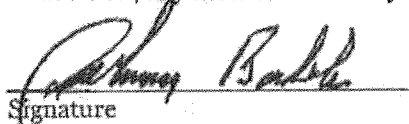
I, the undersigned, have read and understand the attached Agreed Order in the matter of THE CONSOLIDATED WATER SUPPLY CORPORATION. I am authorized to agree to the attached Agreed Order on behalf of THE CONSOLIDATED WATER SUPPLY CORPORATION, and do agree to the specified terms and conditions. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I understand that by entering into this Agreed Order, THE CONSOLIDATED WATER SUPPLY CORPORATION waives certain procedural rights, including, but not limited to, the right to formal notice of violations addressed by this Agreed Order, notice of an evidentiary hearing, the right to an evidentiary hearing, and the right to appeal. I agree to the terms of the Agreed Order in lieu of an evidentiary hearing. This Agreed Order constitutes full and final adjudication by the Commission of the violations set forth in this Agreed Order.

I also understand that failure to comply with the Ordering Provisions, if any, in this order and/or failure to timely pay the penalty amount, may result in:

- A negative impact on compliance history;
- Greater scrutiny of any permit applications submitted;
- Referral of this case to the Attorney General's Office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions;
- Automatic referral to the Attorney General's Office of any future enforcement actions; and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.

  
Signature

8-1-13  
Date

JOHNNY BABB  
Name (Printed or typed)  
Authorized Representative of  
THE CONSOLIDATED WATER SUPPLY CORPORATION

President  
Title

**Instructions:** Send the original, signed Agreed Order with penalty payment to the Financial Administration Division, Revenue Operations Section at the address in Section III, Paragraph 1 of this Agreed Order